MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL/REDEVELOPMENT SUCCESSOR AGENCY OF THE CITY OF SOUTH PASADENA CONVENED THIS 7TH DAY OF MARCH, 2012 7:06 P.M. AMEDEE O. "DICK" RICHARDS, JR., COUNCIL CHAMBERS 1424 MISSION STREET

ROLL CALL, INVOCATION, PLEDGE OF ALLEGIANCE

Mayor Cacciotti convened the regular meeting of the South Pasadena City Council/ Redevelopment Successor Agency (Agency) at 7:06 p.m. City Clerk/ Agency Secretary Kilby called the roll. City Councilmembers/Agency Members present: Joe, Khubesrian, and Schneider; Mayor Pro Tem/Agency Vice Chair Putnam: and Mayor/Agency Chair Cacciotti. Absent: none. Other officials present: Interim City Manager/ Interim Agency Executive Director Gonzalez; City Attorney/Agency Counsel Adams; Police Chief Payne; Fire Chief Wallace; Finance Director Thai; City Librarian Fieldsted; Public Works Director Toor; Planning and Building Department Director Watkins: Transportation Manager Woods; Deputy City Clerk Kbjian; Community Services Supervisor Braun; and City Clerk Kilby.

Mayor Pro Tem Putnam offered the invocation and led the Pledge of Allegiance.

CLOSED SESSION ANNOUNCEMENTS

RECOGNITION OF FORMER ELECTED OFFICIALS WHO HAVE SERVED THE CITY OF SOUTH PASADENA ON ITS 124TH BIRTHDAY City Attorney Adams said that there was no closed session.

Mayor Cacciotti recognized former elected officials who have served the City of South Pasadena on its 124th birthday and at the beginning of its 125th year. Prior to the meeting, a brief reception was held as a kickoff for the 125th birthday and to honor former councilmembers and mayors; city treasurers; and city clerks. Former City Councilmembers/Mayors James Hodge, Jr., Harry Knapp, Wally Emory, Dorothy Cohen, Mike Ten, and Ted Shaw made remarks. Mayor Pro Tem Putnam expressed appreciation for their contributions. Hovanes Gasparian, representing Assemblymember Anthony Portantino, presented the City with a congratulatory certificate on its 124th birthday.

PROCLAMATION DECLAR-ING MARCH 7, 2012, AS Mayor Cacciotti presented a proclamation declaring March 7, 2012, as "Arbor Day" in the City of South

OF SOUTH PASADENA

"ARBOR DAY" IN THE CITY Pasadena to Kim Hughes, Chair, Natural Resources and Environmental Commission. She made remarks.

PROCLAMATION DECLAR-**ING MARCH 16, 2012, AS** "LIBRARY VOLUNTEER RECOGNITION DAY" IN THE CITY OF SOUTH **PASADENA**

Mayor Cacciotti presented a proclamation declaring March 16, 2012, as "Library Volunteer Recognition Day" in the City of South Pasadena to Ann Penn, President, Library Board of Trustees; and Ed Pearson. Member, Library Board of Trustees. Ms. Penn made remarks.

RECOMMENDATIONS FOR FACILITATING THE **BUILDING PERMIT** PROCESS FOR RESIDENTS

Planning and Building Director Watkins provided an overview of the formation of the Ad Hoc Building Permit Committee and introduced Tony George, committee member, who presented recommendations for facilitating the building permit process for residents. Materials will be made available on the website, he said.

EMPLOYEE HIGHLIGHT: NOE CARDENAS, PARKS SUPERVISOR

Mayor Cacciotti announced that a City employee will be featured monthly at the City Council meeting. Noe Cardenas, Parks Supervisor, described his role as an employee of the Public Works Department.

COUNCILMEMBER' **COMMENTS**

Councilmembers announced events and items of interest.

Councilmember Khubesrian spoke about the need to revise ordinances to facilitate multigenerational housing. She requested that an item be added to a future agenda to review requirements for granny/ accessory units, seconded by Mayor Cacciotti. Councilmember Joe introduced Police Chief Payne, who described the upcoming 60th anniversary of Little League celebration and opening day.

Mayor Cacciotti announced that JoJoe Zee, wife of former Mayor Paul Zee and long-time resident, passed away this week. He requested that the meeting be adjourned in her memory. No objections were voiced.

CITY MANAGER COMMUNICATIONS Interim City Manager Gonzalez described the upcoming budget process, which consists of two sessions for the public and a special City Council study session, accompanied by a PowerPoint slide. In regard to business license revocation hearings previously scheduled for tonight, he said that the matter has been referred to the City Prosecutor, and that at

this time the hearings have been postponed indefinitely. As more information becomes available, he said, this will be brought to the Council.

REORDERING OF AND ADDITIONS TO THE AGENDA Interim City Manager Gonzalez requested that Item #13, award of contract to Artic Mechanical, Inc., be removed from the agenda at this time. He said it needs additional work and will most likely be brought back at the next meeting. Mayor Cacciotti said that without objection, the item is so pulled.

ITEMS REMOVED FROM CONSENT CALENDAR

Mayor Pro Tem Putnam requested that Item #15, Community Services Department Policies and Procedures Manual, be removed from the Consent Calendar for separate consideration.

APPROVAL OF THE MINUTES OF THE REGULAR AND SPECIAL MEETINGS OF FEBRUARY 15, 2012 By roll call vote (5 ayes), the City Council approved the minutes of the regular and special meetings of February 15, 2012.

APPROVAL OF PREPAID WARRANTS IN THE AMOUNT OF \$754,168.94, GENERAL CITY WARRANTS IN THE AMOUNT OF \$496,475.39 AND PAYROLL IN THE AMOUNT OF \$817,162.47 (Putnam, Khubesrian)

By roll call vote (5 ayes), the City Council approved Prepaid Warrants #171870-171964; General City Warrants #171965-172171, and payroll 02-17-12 and 03-02-12, for a total of \$2,067,806.80. The City Council approved Redevelopment Successor Agency warrants for \$10,863.54.

APPROVE AN
AMENDMENT TO THE
CURRENT LEASE
AGREEMENT WITH TIME
WARNER
COMMUNICATIONS, INC.

(Putnam, Khubesrian)

By roll call vote (5 ayes), the City Council approved an amendment to the current lease agreement with Time Warner Communications, Inc., and authorized the Interim City Manager to execute the amendment to the lease agreement.

(Putnam, Khubesrian)

AWARD OF CONTRACT TO ARTIC MECHANICAL, INC. IN THE AMOUNT OF \$79,918 FOR THE CITY HALL AIR CONDITIONING IMPROVEMENT PROJECT

This item, award of contract to Artic Mechanical, Inc., was removed from the agenda, as noted above, and will be brought back at a later date.

AUTHORIZATION TO
AMEND CONSTRUCTION
MANAGEMENT AND
INSPECTION SERVICES
CONTRACT WITH GK &
ASSOCIATES FOR THE ST.
ALBANS/BRUNSWICK
WATER LINE IMPROVEMENT PROJECT AND THE
PASADENA AVENUE
STREET IMPROVEMENT
PROJECT

By roll call vote (5 ayes), the City Council authorized the City Manager to sign a contract amendment in the amount of \$16,634 to GK & Associates for additional inspection and construction management services required for the St. Albans/Brunswick Water Line Improvement Project and the Pasadena Avenue Street Improvement Project.

(Putnam, Khubesrian)

APPROVAL OF THE UPDATED COMMUNITY SERVICES DEPARTMENT POLICIES AND PROCEDURES MANUAL Mayor Pro Tem Putnam, in reference to a proposed policy about allowing South Pasadena non-profit organizations to hold events of more than 100 persons on a case-by-case basis, suggested that the policy be expanded to include non-South Pasadena organizations if a board member of the organization resides in South Pasadena or if there is some other strong connection to the City. Interim City Manager Gonzalez and Community Services Supervisor Braun responded to questions.

By roll call vote (5 ayes), the City Council approved the proposed updated Community Services Department Policies and Procedures Manual, with one amendment to add a provision to expand the policy pertaining to non-profit groups that wish to hold large events (more than 100 people) in a City park. The provision will allow non-profit organizations outside the City as well as South Pasadena organizations to be considered on a case-by-case basis by the Community Services Director. Local established nonprofit organizations based outside the City will be considered (on a case-by-case basis) only if a board member of the organization resides in the City or if a strong South Pasadena presence can be shown. It was understood that South Pasadena organizations will be given priority.

(Putnam, Khubesrian)

PUBLIC COMMENT
Windstorm-related claims

Ron Garcia, Region Manager, Local Public Affairs Department, Southern California Edison (SCE), said he is speaking as part of SCE's outreach to those affected by the severe windstorm November 30December 1, 2011. He said that although SCE is typically not liable for any losses resulting from service interruption caused by events of nature or other factors outside its control, he said the company will carefully review and research any customer claims arising from this windstorm. He distributed materials on submitting a reimbursement claim to Edison along with a written copy of his comments. He responded to questions. Councilmember Schneider requested that SCE provide the City with portable generators to enable the City to maintain power for the water system in the event of an emergency. He said that communication from SCE during an emergency needs to be improved. He responded to questions posed by Councilmember Joe about whether public safety departments are provided a list of residents on life support.

Massage parlors

Kelly Conte, Oak Hill Place, expressed concern that a discussion item is not being addressed tonight to consider revoking business licenses for two cited massage parlors. She noted that there has been a proliferation of massage parlors, and that now it appears the City cannot act due to liability/confidentiality and other issues. She urged the City Council to revoke the business licenses based on moral objections from the community. She said these inactions by the City Council reflect a lack of transparency/accountability.

Mayor Cacciotti asked the City Attorney to respond. City Attorney Adams said that the items Ms. Conte is referring to have been postponed, but not due to concern about liability. The matters are being pursued aggressively by the Police Chief and the City Prosecutor, he said. Whether the matter will be coming back to the City Council for that type of action is unknown, he said, but there are other actions being taken. If the case needs to be brought to the City Council, he said—with regard to the concern about children watching the proceedings—a special meeting can be held. If the matter returns, he said, the public will be advised, and the hearings will be open to the public.

Mayor Pro Tem Putnam asked the City Attorney to explain why a business license revocation hearing has to wait for the City Prosecutor. City Attorney Adams said that the Prosecutor conducts criminal prosecution as well as administrative hearings. He said the cases must be built up and presented in a certain way. In addition, he said, other punitive actions are being explored and may be implemented. The City Council and the public will be advised as to developments, he said. Mayor Cacciotti said that parallel prosecutions can take place.

Response to letters from constituents

Bob Cook, 5063 Collis Avenue, said that all letters from constituents should be responded to by the City.

Interim City Manager Gonzalez responded that he will impress upon all departments the importance of responding to letters from members of the public.

Student exchange program

Rozanna Baranets, no address stated, stated that she is a coordinator with International Education & Exchange (IEE), which she says has been based in South Pasadena since 1987. She is seeking volunteer host families for German exchange students this summer for one month. She described the program and provided contact information.

Community gardens

Megan Lynch, no address stated, asked that an item be added to a future agenda to discuss amending the existing code as it pertains to community gardens. She said she spoke at the Natural Resources and Environmental Commission about the issue, and she requested that the Council consider the commission's proposed amendments.

Interim City Manager Gonzalez responded, stating that community gardens are permitted and are not difficult to implement. Issues arise, he said, as to the selection of the property and who is responsible for the irrigation, electrical, and related support services.

Diana Mahmud, no address stated, Member, Natural Resources and Environmental Commission, reported that the commission is proposing changes to the City's existing community garden ordinance. She suggested that this issue be added to a future agenda. She suggested that the Parks and Recreation Commission be directed to identify where a community garden could be located within existing

parkland at City expense.

Mayor Cacciotti requested that the issue of community gardens be added to a future agenda, seconded by Councilmember Khubesrian.

Gretchen Robinette, 921 Indiana Avenue, requested that the revised version of the ordinance, referred to by a previous speaker, be placed on the next agenda. She said that the existing ordinance creates obstacles to establishing a community garden. She described the benefits of having a community garden.

PUBLIC HEARING SEWER AND WATER RATE INCREASE PUBLIC HEARING, AND PROPOSED ORDINANCES ADOPTING SEWER AND WATER RATES EFFECTIVE APRIL 2012 Finance Director Thai introduced Sudhir Pardiwala. Raftelis Financial Consultants, Inc., who made a presentation about the proposed increases, accompanied by PowerPoint slides. The prime reason for the water rate increase is the debt coverage requirement, he said. In addition, he said there are significant increases in the cost of purchased water. Regarding sewer rates, he said the City has a significant capital improvement requirement to meet the Consent Decree. The City has already incurred penalty and attorney costs for prior sewer spills, he said. Improvements need to be funded through rate increases and future debt, he said. He responded to questions. Public Works Director Toor provided a status report on the current water system capital improvement program. He, Interim City Manager Gonzalez, and Finance Director responded to questions.

Public Works Director Toor and Interim City Manager Gonzalez responded to questions from Councilmember Joe about retaining a water conservation coordinator and implementing a water conservation program.

Finance Director Thai made a presentation about Proposition 218 compliance, accompanied by Power-Point slides. Public Works Director Toor responded a question from Mayor Cacciotti about the condition of the water system. Mr. Toor stated that in 30 years of experience, he has never seen a reservoir in such poor condition as Garfield Reservoir. Failure of reservoirs will create a disaster, he said.

City Attorney Adams noted that the urgency

ordinances, which are being proposed, require a 4/5 vote of the City Council for approval.

Mayor Cacciotti opened the public hearing. Speakers expressing opposition to the increased rates were: Don Cross, 2013 Via Del Rey; Bob Cook, 5063 Collis Avenue, who also criticized the rate allocations, and the ballot and notification process: Shirley Weber, 237 Los Laureles, who also opposed how the water bill is prepared using water meter size as opposed to how much water is utilized; Jun Park, 1115 Mound Avenue, who said his family owns the coin laundromat at 624 Mission Street; Al Benzoni. 1617 Monterey Road, who made suggestions to improve efficiencies and conserve water; Marlene Hubbard, 1931 Leman Street, who submitted a written copy of her remarks; Reddy [no last name given], 869 Flores de Oro, who asked about the water meter charge; Nancy Elieff, 2041 Fair Oaks Avenue, who said she has stopped watering as a result of high bills; and Tuncer Toprakci, 2053 Edgewood Drive, who said he is a retired structural and civil engineer and who said he questions numbers contained in the background documents; he recommended postponing the increase.

Public Works Director Toor responded to a question posed by a resident about water meters, stating that the meter (base) charge is not the cost of the meter but the fixed costs of operating the water system.

Speakers expressing support for the increased rates were Kim Hughes, 1956 Huntington Drive, Natural Resources and Environmental Commission (NREC) Chair and Member, Water Council, who also asked about the water conservation coordinator and programs; and Diana Mahmud, no address stated, NREC Member and Chair, former Water Council, who supported the sewer rate increase. She said she supports the water rate increase for the first year only. She said she and other NREC members are dismayed that no action has been taken to hire a water conservation coordinator.

Mayor Cacciotti closed the public hearing.

City Attorney Adams, as requested by Mayor

Cacciotti, said the City handled the protest process properly, in accord with the California Constitution.

Mayor Cacciotti closed the public hearing. Discussion continued and Finance Director Thai and City Attorney Adams answered additional questions.

Finance Director Thai and Interim City Manager Gonzalez responded to questions about the City's plans to retain a water conservation coordinator and to implement conservation programs. Interim City Manager Gonzalez stated that he will report back in a month on progress.

Mayor Cacciotti asked the City Clerk if a majority protest exists. City Clerk Kilby reported that 336 verified written protest letters had been received up until the time of the meeting, and that 10 additional protest letters had been submitted during the meeting, totaling 346 protests. She said that this is manifestly less than the required protest letters (3,358) to constitute 50% of the parcels.

By roll call vote (5 ayes), the City Council read by title only, waiving further reading, and introduced AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, ESTABLISHING SEWER RATES PURSUANT TO SECTION 30.11 OF CHAPTER 30 OF THE SOUTH PASADENA MUNICIPAL CODE.

(Joe, Putnam)

By roll call vote (5 ayes), the City Council read by title only, waiving further reading, and introduced AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, ESTABLISHING SEWER RATES PURSUANT TO SECTION 30.11 OF CHAPTER 30 OF THE SOUTH PASADENA MUNICIPAL CODE.

(Joe, Schneider)

By roll call vote (5 ayes), the City Council read by title only, waiving further reading, and adopted AN URGENCY ORDINANCE OF THE CITY COUN-

CIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, ESTABLISHING WATER RATES PURSUANT TO SECTION 35.3, 35.4, 35.5 AND 35.26 OF CHAPTER 35 OF THE SOUTH PASADENA MUNICIPAL CODE, adopting an 18% rate increase starting April 2012. [Subsequently reconsidered]

(Khubesrian, Schneider)

By roll call vote (4 ayes; 1 no, Mayor Pro Tem Putnam), the City Council approved a motion to reconsider the urgency ordinance approved above.

(Khubesrian, Schneider)

City Attorney Adams provided legal guidance that if rates are decreased from the rates proposed in the Proposition 218 notice, renoticing is unnecessary.

By roll call vote (4 ayes; 1 no, Mayor Pro Tem Putnam), the City Council read by title only, waiving further reading, and adopted AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, ESTABLISHING WATER RATES PURSUANT TO SECTION 35.3, 35.4, 35.5 AND 35.26 OF CHAPTER 35 OF THE SOUTH PASADENA MUNICIPAL CODE, approving only one increase of 16% [instead of the proposed 18%] starting April 2012.

(Khubesrian, Cacciotti)

By roll call vote (4 ayes; 1 no, Mayor Pro Tem Putnam), the City Council read by title only, waiving further reading, and introduced AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, ESTABLISHING WATER RATES PURSUANT TO SECTION 35.3, 35.4, 35.5 AND 35.26 OF CHAPTER 35 OF THE SOUTH PASADENA MUNICIPAL CODE, approving only one increase of 16% [instead of the proposed 18%] starting April 2012. On an amendment proposed by the seconder of the motion and approved by the maker of the motion, the City Council directed the Finance Department to keep close tabs on the results of increasing water rates 16%

instead of 18% to make sure the revenues are meeting projections.

(Khubesrian, Schneider)

Interim City Manager Gonzalez noted that Mr. Tom Ash will be presenting the water budget model at the meeting of March 21, 2012.

ADOPTED POLICY TO ADJOURN MEETINGS AT 10:30 P.M.

Mayor Pro Tem Putnam noted that the City Council set a policy to end meetings at 10:30 p.m. since meetings are now starting at 7:00 p.m. He proposed that the next item be addressed and that this be the last item of business; this was agreed to by consensus.

SELECTION OF MONTEREY ROAD CITIZENS' DESIGN ADVISORY COMMITTEE **MEMBERS**

Interim City Manager Gonzalez presented the staff report on the selection of members for the Monterey Road Citizens' Design Advisory Committee. He responded to questions.

Without objection, the City Council agreed to handle the selection of the Monterey Road Citizens' Design Advisory Committee members in the same fashion as commission appointments are made, i.e., appointed by the Mayor with majority approval by the Council. It was agreed that the nominations of up to 11 members (including two members from the Freeway and Transportation Commission) would appear on the next agenda for confirmation by the City Council.

PUBLIC WORKS COMMIS-SION (NO STAFF REPORT) Due to the late hour, this item was postponed.

AN EVALUATION OF THE CITY'S RESPONSE TO AND RECOVERY FROM A LOCAL EMERGENCY CREATED BY A SEVERE WINDSTORM **BEGINNING NOVEMBER 30,** 2011

Due to the late hour, this item was postponed.

ADJOURNMENT

Without opposition, the City Council meeting adjourned at 10:52 p.m. in memory of JoJoe Zee, who passed away recently.

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Michael A. Cacciotti Mayor

City Clerk